

BOARD OF SUPERVISORS
Yolo County, California

To: Auditor ✓

CONSENT CALENDAR

Excerpt of Minute Order No. 11-62 Item No. 10, of the Board of Supervisors' meeting of June 7, 2011.

MOTION: Saylor. SECOND: Provenza. AYES: Provenza, Chamberlain, McGowan, Saylor, Rexroad.

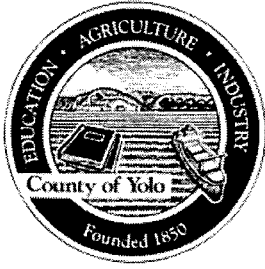
10. Approve a charter for the new Audit Committee. (No general fund impact) (Newens)

Approved recommended action on Consent.

11. Approve the revised calendar of meetings of the Board of Supervisors for 2011. (No general fund impact) (Blacklock/Gabor)

Att. A. Board Calendar

Approved recommended action on Consent.



County of Yolo

www.yolocounty.org

To: Supervisor Matt Rexroad, Chair
and Members of the Board of Supervisors

SR-136

Consent-General Government # 10.

Board of Supervisors

County Administrator

Meeting Date: 06/07/2011

Brief Title: Audit Committee Charter

From: Patrick Blacklock, County Administrator; Howard Newens, Auditor-Controller

Staff Contact: Howard Newens, Auditor-Controller, x8217

Subject

Approve a charter for the new Audit Committee. (No general fund impact) (Newens)

Recommended Action

Approve the proposed Audit Committee Charter.

Strategic Plan Goal(s)

Financially sustainable county government

Fiscal Impact

There is no immediate financial impact. However, the continuing oversight provided by an official Audit Committee enhances fiscal accountability in the County.

Reason for Recommended Action/Background

In April 2010 the Board of Supervisors approved the formation of an audit committee to improve fiscal accountability in the County. The committee initially consisted of the two Board members who are in the Finance and Investment committee of the Board with the County Administrator and County Auditor-Controller serving in advisory capacity. The audit committee has met four times to review the results of the county financial audits performed by the independent auditors, as well as internal audit work.

Three professional bodies, namely the American Institute of Certified Public Accountants, the Institute of Internal Auditors, and the Government Finance Officers Association, have recommended that audit committee formation and activity be formalized in a charter. The charter proposed herein is based on guidelines published by these professional groups. Several California counties (e.g. Placer, Glenn, Orange, etc.) have adopted similar charters.

Other Agency Involvement

The Audit Committee reviewed this proposed charter at its recent meeting.

Attachments

Att. A. Audit Committee Charter

Form Review

Inbox
County Counsel
Don Hoff

Reviewed By
Robyn Drivon
Don Hoff

Date
05/25/2011 03:10 PM
05/25/2011 03:14 PM

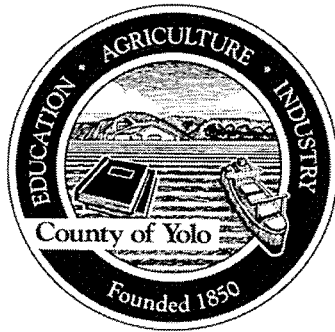
Form Started By: Howard Newens

Started On: 05/25/2011 11:17 AM

Final Approval Date: 05/25/2011

COUNTY OF YOLO

**AUDIT COMMITTEE
CHARTER**



APPROVED BY:
BOARD OF SUPERVISORS
JUNE 7, 2011

YOLO COUNTY AUDIT COMMITTEE CHARTER

I. INTRODUCTION

The government of Yolo County is publicly accountable for the proper utilization of resources entrusted to it by the taxpayers. This fiscal accountability is demonstrated through strong internal control, budgetary compliance, accurate and timely financial reporting, regular auditing and follow-up.

II. PURPOSE

On April 13, 2010, the Board of Supervisors considered adding audit committee responsibilities to the existing Finance and Investment Committee. The purpose was for the Board to provide leadership in audit matters to further demonstrate good stewardship of public resources.

The specific purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities for the integrity of (1) the County's financial statements, (2) the annual independent audit and (3) the system of internal control and the internal audit function.

III. AUTHORITY

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is specifically empowered to appoint and oversee the work of the public accounting firm employed by the County to perform the annual audit, and to resolve disagreements between management and the auditing firm regarding any audit findings or recommendations.

IV. COMPOSITION

The Audit Committee consists of two members of the Board of Supervisors and one member of the public. The public member is recommended by the two Board members and is approved by the Board of Supervisors for a two-year term. Each committee member is to be both independent and financially literate. At least one member shall have financial expertise. The County Administrator and the County Auditor-Controller, or their designees, participate in an advisory capacity.

Independent in this context means devoid of any potential conflict of interest, such as described in, but not limited to, the following example: a member has or had individual responsibility or influence over the auditee (e.g. a member who is a former department head or a member who holds positions in the board or management of an organization which was audited).

V. MEETINGS

The committee shall meet at least four times each fiscal year. The committee is to meet twice annually with the independent auditors, and at other times when considered appropriate. Meeting agendas will be prepared and provided in advance

YOLO COUNTY AUDIT COMMITTEE CHARTER

to members, along with appropriate briefing materials. Minutes will be prepared.

The meetings of the audit committee shall be open and subject to the Ralph M. Brown Act.

VI. RESPONSIBILITIES

The Committee is charged with the following responsibilities:

County Financial Statements and Audits

1. Review significant accounting and financial reporting issues that affect the County financial statements, including recent state laws, professional and regulatory pronouncements.
2. Review the effectiveness of the County financial reporting system.
3. Select and approve the independent audit firm to conduct the annual financial audit and Single Audit, in accordance with state laws and auditing standards.
4. Approve the scope and timing of the annual financial audit and Single Audit.
5. Meet with the independent auditors at their request.
6. Review the results of the annual financial audit and Single Audit.
7. Monitor the resolution of audit findings and recommendations; follow up directly with department heads as necessary.

Other External Audits

8. Review the results and adequacy of follow up on audits conducted by any external auditors or regulatory auditors on any County programs or departments.

Internal Control and Internal Auditing

9. Review the results of the countywide risk assessment and consider the effectiveness of the internal control system to mitigate the identified risks.
10. Review the scope and effectiveness of internal audit activity in concert with the County Auditor-Controller.
11. Monitor the resolution of internal audit findings and recommendations; follow up directly with department head as necessary.

Reporting to the Board of Supervisors

12. Report to the Board of Supervisors regularly about the Committee's activities and actions.